

Trade Invest Monthly

Hawaii's International Business Network

State of Hawaii

Department of Business, Economic Development & Tourism

To receive the Trade Invest Monthly by Email, please send your request to: tradeinvest@dbedt.hawaii.gov

Hawaii Notices

Asia Pacific Executive Forum

The East-West Center, together with Frost & Sullivan, will be holding a conference forum with the theme, "Asia Pacific Executive Forum – Doing Business in a Changing Asia: A Strategic Vision. Also supporting the forum is the Pacific Basin Economic Council.

The forum is designed as a corporate retreat - the Executive Forum will bring together senior executives, government policy-makers, and academic experts for two days of discussions of the issues facing the Asia-Pacific region, and its impact on the various economies and businesses.

The details are as follows:

DATE: January 16-19, 2001
LOCATION: East-West Center
REGISTRATION FEE: \$875 (*kama'aina* rate: \$575)
SESSIONS:

Wednesday, January 17, 2001

- Post-Cold War U.S. Interests in the Asia Pacific
- Shifting Trade Arrangements in Asia Pacific: Implications for Market and Non-market Strategies
- Report on Terrorism
- Is Energy the Region's Achilles Heel?
- Corporate Restructuring After the Asian Crisis
- Aging Asia
- Political Changes in Asia: An Overview
- A Business Agenda for the Region

Thursday, January 18, 2001

- Japan's Economic Prospects
- U.S.-Japan Relations
- Restructuring and Changing Market Opportunities in China
- U.S. – China Relations
- India: New Market Opportunities
- The New U.S. Administration and Implications for U.S. Asia Pacific Policy
- The Koreas
- ASEAN
- Concurrent Roundtable Sessions: Information Technology and Telecommunications; Biotechnology; Banking and Finance; Energy Industry

Friday, January 19, 2001

- Pre-arranged Private Consultations with East-West Center Experts
- Market engineering training program through Frost and Sullivan

For more information, contact Sheree Groves at Tel: (808) 944-7615; e-mail: seminars@EastWestCenter.org

International Notices

Asian Development Bank – Upcoming Projects

The Asian Development Bank (ADB) has approved the following projects, and ADB has issued a cable to provide as much lead-time concerning procurement and consulting opportunities.

The projects are as follows:

Proposed ADB Business Opportunity Project for Nepal and Sri Lanka - Technical Assistance (TA) Grant programs

- **Nepal – US\$565,000** – The Information Technology Investment Loan will prepare the "legal, economic, social and institutional environment for the introduction of user-friendly, low-cost and high-quality electronic communication facilities in the Nepalese financial sector. Apart from broadening the range of quality electronic financial services, improved electronic access will substantially widen coverage of financial services, especially in rural areas."
- **Sri Lanka – US\$800,000** – The TA will "prepare a project for developing aquaculture, with emphasis on inland fisheries and quality improvement. The fisheries sector in Sri Lanka has potential for poverty alleviation by improving nutritional status and increasing food security. There is also potential for employment generation for people in the rural interior as well as coastal areas. Private sector development in the sector will also be addressed through the project."
- **Sri Lanka – US\$500,000** – This TA will "prepare a feasibility study that supports the government's strategy to expand post-secondary education to meet these new labor requirements. The output includes a project design to support post-secondary education."

US\$4.9 Million Small Business Development Project in Samoa

- Targeting credit and business development services to facilitate income-generating activities in Samoa. During the five years of project implementation, it is expected that the project will directly create an additional 1,400 direct income and employment opportunities and will benefit at least 5,600 people;
- Specified target groups for this project are rural households with residences outside or urban Apia, and households with no direct income from paid employment in Apia;
- Most important target groups are entrepreneurs who would like to expand or consolidate existing businesses and require additional financial resources for this purpose;
- This project will facilitate further diversification of the financial sector in Samoa; and
- It will also facilitate private sector-led economic growth by improving the legal and regulatory environment in relation to entrepreneurship development.

For more information on these projects, contact the ADB at
Tel: 011-(63-2) 887-1345; Fax: 011-(63-2) 887-1164; e-mail:
csadb@info.com.ph

Worldwide Market Reports

Due to the large number of requests for reports, we have made the request process easier to better serve you. Complete the request form at the end of the newsletter and Fax to (808) 587-3388, or send an Email message to: tradeinvest@dbedt.hawaii.gov.

The report service offered is reserved for Hawaii companies only.

If you are outside of Hawaii and are interested in the reports highlighted in our newsletters, please go to the United States Department of Commerce website: www.stat-usa.com. You will have the choice of ordering the reports you need for a small fee or you can subscribe to their service for an annual fee and have unlimited access to all reports and services.

Food and Agricultural Import Regulations

For new-to-market Hawaii exporters of agricultural products, the U.S. Department of Agriculture's Foreign Agricultural Service & Foreign Commercial Service provides an overview of the food regulations in various export markets.

The latest food regulation reports cover the following markets: **Malaysia, Canada, U.K., Taiwan, Hong Kong, Australia, and Korea.**

Covered in each market report are the following topics:

- Food laws;
- Labeling requirements;
- Packaging and container regulations;
- Food additive regulations;
- Pesticide and other contaminants;
- Other regulations and requirements;
- Copyright & trademark laws;
- Import procedures;
- Regulatory agency contacts; and
- Other import specialist contacts

For a copy of a report, send the request form by Fax: (808) 587-3388 or by email to tradeinvest@dbedt.hawaii.gov.

Korea – Fresh Fruits and Vegetables Market

The U.S. Department of Agriculture reports that the year 2000 has been a record year for both the Korean economy and U.S. fresh fruit and vegetable exports to Korea.

The key points are as follows:

1. The Korean government recently raised Korea's GDP growth outlook to 8.5% from the previous 6% target;
2. Fruit imports into Korea also surged in Korea – up 42% during the first six months of 2000 compared with the same period last year;
3. Likewise fruit imports from the U.S. increased 150% (US\$23 million to \$58 million) during the January-June periods of 1999 and 2000. However, oranges made up 92% of the total fruit imports from the U.S. in the January-June 2000;
4. Major fruits imported into Korea as follows:
 - Bananas – US\$73 million – US\$68 million from Philippines, US\$4.5 million from Ecuador in 1999;
 - Table Grapes – US\$10 million – US\$9.5 million from Chile in 1999;
 - Oranges – US\$26 million from U.S. in 1999;
 - Lemons – US\$3.7 million from U.S. in 1999;
 - Grapefruit – US\$1.9 million from U.S. in 1999;

- Pineapple – US\$10 million from the Philippines in 1999;
 - Kiwi Fruit – US\$7.5 million – US\$6.5 million from New Zealand, and US\$0.5 million from the U.S. in 1999; and
 - Cherries – US\$720,000 – US\$600,000 from U.S., and US\$120,000 from New Zealand. and
5. Hawaii exporters face challenges, as exports from Hawaii are prohibited for the following products – avocado, grape, grapefruit, Kiwi Fruit, lemon, lime, melon, orange, and persimmon.

For a copy of a report, fax the request form to: (808) 587-3388 or by email to tradeinvest@dbedt.hawaii.gov.

New Czech Republic Business Newsletter

The Czech Consulate General in Los Angeles has a new bi-monthly business-oriented newsletter called *Czech Trade Focus*.

The newsletter is part of the Economic and Commercial Office of the Czech Embassy in Washington, D.C., Czech Consulate in Los Angeles, and the Czech Consulate in New York.

It is designed to provide practical information on trade and investment opportunities with the Czech Republic. It contains an economic outlook, news about companies and the market, industry reviews, useful Internet links, and reports on the Czech-EU relations.

It also provides information on Czech companies looking for partners in the U.S., travel tips, upcoming trade show information, and a highlight on Czech products that are being imported into the U.S.

For more information on the newsletter, contact the Czech Embassy's homepage at: www.czech.cz/washington The newsletter is also distributed free by fax or e-mail by sending an e-mail message to: losangeles@embassy.mzv.cz

"Planting Seed Annual" – China and Japan

The U.S. Department of Agriculture's Foreign Agricultural Service recently published a market overview on the "Planting Seeds" markets in China and Japan.

Overall, both markets are experiencing growth and are at different levels of market maturity. There are various issues that Hawaii seed producers need to overcome to enter and succeed in the China and Japan seed market. The market trend breakdown on each country is as follows:

China

1. Planting seed imports grew 47% by volume and 18% by value in the market year 1999/2000, reaching US\$60.4 million;
2. Biggest growth areas was in the grasses and vegetables seed areas;
3. Local Chinese production of planting seeds is also growing as farmers realize the profitability of growing seeds;
4. Main volume growth for planting seeds from the U.S. are in the grains & oilseeds, and grasses. Biggest growth in value for U.S. planting seed imports were in the cotton and herbaceous seeds;
5. Most significant changes in the seed industry are in the marketing and regulatory structure.
6. Chinese seed companies are becoming more responsible for their profits and losses.
7. Local market practices are also being dismantled to give farmers access to a larger variety of seeds, and to promote local

competition. Reforms give farmers more freedom to choose what they grow, and they have switched to producing higher value items such as vegetable, fruits, nuts and planting seeds;

8. The China Seed Law was released this summer and had an implementation date of December 1, 2000. Under this law, imported seeds will continue to be regulated more strictly than domestic seeds. This is to ensure that the national level regulators have control of the entry of foreign seed varieties in China; and
9. Foreign companies applying for variety protection and prosecuting illegal seed producers will encounter difficulties for the following reasons:
 - If a variety has been available in the world market for four years, it is ineligible for protection in China;
 - If a variety has been available in China for one or more years, it is ineligible for protection;
 - If a variety is not "new with special characteristics," it does not qualify for protection;
 - Imported seeds cannot be marketed in China without passing through long variety trials;
 - During these variety trials local seed scientists and seed companies have access to these seed varieties and are busy working on identical or imitation varieties; and
 - As it takes one to three years to finish the trials, during that time domestic seed companies have already been marketing identical or imitation varieties. As a result, when the foreign variety is finally registered, it no longer qualifies for protection as similar or identical products have already been in the market for over a year.

Japan

1. Total planting seed imports into Japan totaled almost US\$140 million in 1999, an increase of 8.5% over 1998 on a CIF basis;
2. U.S. captured 36% of the import market share - almost US\$50 million;
3. Phytosanitary barriers are not a significant barrier to the import of seeds into Japan;
4. Import regulations are covered in the Plant Protection Law and Regulations. It is available from the Ministry of Agriculture Forestry and Fisheries (MAFF), Agricultural Products Bureau, Plant Protection Division;
5. For plant variety protection, Japan is a signatory to the International Convention for Protection of New Plant Varieties (ICPNV);
 - ◆ In 1991, the ICPNV was revised to expand the scope and protection of the rights of new plant variety breeders;
 - ◆ In 1998, Japan revised the Seed and Seedlings Act in conformity with the ICPNV. The revision was implemented in December 1998. The objective is to promote new variety breeding and enhance legal protection of the breeders; and
6. The controversy of products derived from biotechnology continues in the Japanese mass media. There are various campaigns against enhanced foods and crops through biotechnology. These campaigns have resulted in the publication of MAFF's biotech food labeling proposal, scheduled to be enforced from April 2001. Major Japanese importers are also segregating the biotech and non-biotech products.

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Coffee - Annual 2000 Reports

Since the last report published in the August 2000 issue of Trade Invest Monthly, the U.S. Department of Agriculture's Foreign Agriculture Service has updated its annual coffee report regarding the production, supply and demand in the following countries:

Colombia - coffee production fell by 12% in 1999/2000, dropping to 9.5 million bags (60kg) due to heavy rains, but due to favorable weather, will rebound in 2000/2001 to an estimated 12 million bags. However, Colombian coffee prices are currently at a six-year low of US\$0.91/pound in August 2000. In comparison, their May 1997 pricing was US\$3.62/pound in May 1997;

Cote d'Ivoire - The farm prices continue to drop, and farmers are holding on to their 1999/2000 crop in anticipation of an upturn in pricing. Marketing of the 2000/2001 crop is expected as usual in late December or early January.

Vietnam - in 1999/2000, Vietnam's coffee production and exports reached its highest level ever recorded. However, price drops threaten both the producers and the exporters, and that may result in lower yields in 2000/2001 as falling coffee prices discourage coffee growers from investing in coffee nursery work.

Brazil - The 1999/2000 estimate has been revised to 32.6 million bags. Arabica coffee production is estimated at 25.3 million bags, and Robusta production is estimated at 7.3 million bags.

Kenya - In general, there has been a decline in production performance. Due to a drought in the last coffee season, there has been a decline in bean quality as well as a lower bean price. The lower economic return will have a detrimental affect on this coffee sub-sector if quick action is not taken.

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Other available reports:

Ag World Reports

- ◆ *Japan - Wine Marketing Annual 2000* - 20 pages
Although Japan's wine boom which began in the mid-1990's has slowed, Japanese consumption of wine remains strong. U.S. share of the bottled wine import market was 10.2 percent by value and 12.6 percent by volume in 1999, up slightly from 1998 despite a shrinking pie. Growth mainly has been at the expense of Italian and Chilean competitors. With at least flat or slight growth expected for the Japan wine market over the next 3-5 years, the outlook is positive for U.S. wine exports.
- ◆ *Peoples Republic of China - Trade Policy Monitoring Current Status of GMO Development and Regulation* - 6 pages
China has formulated regulations for evaluating and monitoring GMOs in agricultural production. Research and development continues for a wide range of commodities. However, regulations, which have yet to be formulated, particularly on food safety, make China's ultimate stance on GMOs unclear.
- ◆ *European Union Tobacco and Products Annual 2000* - 29 pages
EU tobacco production in 1999 decreased by less than 1 percent from the previous year. The incidence of smoking has decreased for a number of years, but EU legislation aiming at reducing it further is in preparation. At the same time, EU authorities have undertaken measures to tackle the problem of cigarette smuggling.

Internet - IMI Reports

- ◆ *China Internet Regulations* - 2 pages
- ◆ *China Internet Skirmish* - 4 pages
- ◆ *China Internet survey of usage* - 7 pages

- ◆ *China Internet User Profile* - 3 pages
- ◆ *Indonesia e-commerce Internet development* - 3 pages
- ◆ *Korea Internet Shopping Malls* - 3 pages
- ◆ *Korea emerges worlds 10th in subscribers* - 2 pages
- ◆ *Singapore Business & commerce developments* - 4 pages
- ◆ *Singapore Info Tech Household survey* - 3 pages

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Offers

The trade opportunities listed come directly from the company or trade organization. DBEDT does not endorse these companies or organizations. Please do your own background check before entering into any business negotiation.

Partnerships

- ◆ An Ecuadorian manufacturer, Talleres Jaramillo & Guzman, is interested in developing an intensive shrimp production pond operation in the port city of Machala, with future expansion to other areas including the provinces of Guayas and El Oro, using new technologies to improve quality, automation, management control, and environmental control issues. Owner Enrique Jaramillo, who has designed the project, estimates an initial investment of USD \$300,000 for the pilot pond cultivation phase. The project estimates initial production of 7500 pounds of shrimp per hectare, equivalent to 15,000 pounds per pond. A

total of six ponds are planned, once the pilot pond is in operation, each with an extension of two hectares with 40,000 cubic meters of water.

Interested U.S. companies may contact the following: Mr. Enrique Jaramillo, Talleres Jaramillo & Guzman, Buenavista 511 y 14ava. Norte, Barrio Santa Elena, Machala, Ecuador
Tel: 011-593-7-937-968 / 011-593-7-937-955
Fax: 011-593-7-922-299 Email: tallerjg@ecua.net.ec

Offers to Sell

- ◆ Company in Bulgaria is looking for partners and clients. They specialize in custom programming for American, Australian, and Western European companies. Contact Stoytcho I. Dimov at SGND Technologies Ltd.; e-mail: sdimov@sbnd.net

Trade Shows, Conferences, & Trade Missions

April 23-28, 2001

Hannover Fair 2001: World's Leading Fair for Industry, Automation, Innovation. Hannover, Germany. Focuses on IT/software, energy, power transmission & control, factory automation, and research & technology. Last exhibit attracted 279,000 attendees and 7,250 exhibitors. For more information, contact the Hannover Fairs USA, Inc. in New Jersey, Tel: (609) 987-1202; Fax: (609) 987-0092; e-mail: hannoverfair@hfusa.com

Report Request Form

Company: _____ Contact person: _____
Address: _____ City: _____ Zipcode _____
Telephone number: _____ Facsimile number: _____
Report(s) requested: _____

- ☐ Food and Agricultural Import Regulations
- ☐ Korea – Fresh Fruits & Vegetables
- ☐ China & Japan – Planting Seed Annual
- ☐ Coffee – Annual 2000 Reports
- ☐ Japan - Wine Marketing Annual 2000
- ☐ China - Current Status of GMO Dvlp. & Reg.
- ☐ EU Tobacco and Products Annual 2000
- ☐ China Internet Regulations

- ☐ China Internet Skirmish
- ☐ China Internet survey of usage
- ☐ China Internet User Profile
- ☐ Indonesia Ecommerce Internet development
- ☐ Korea Internet Shopping Malls
- ☐ Korea Internet - Emerges worlds 10th in subscribers
- ☐ Singapore business & commerce developments
- ☐ Singapore - Tech Household survey

Other: _____

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